

Message Text

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ACTION EB-08

INFO OCT-01 EUR-12 ISO-00 CAB-02 CIAE-00 COME-00

DODE-00 DOTE-00 INR-07 NSAE-00 FAA-00 /030 W

-----121962 150429Z /75

R 141805Z NOV 77

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 0331

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E.O. 11652: N/A

TAGS: EAIR, UK, US

SUBJECT: CIVAIR: MEETING OF US-UK TARIFF WORKING GROUP,
NOV. 7-9

1. TARIFF WORKING GROUP ESTABLISHED BY BERMUDA II AGREE-
MENT MET IN LONDON NOV. 7-9. DISCUSSION REVEALED MUCH
GREATER SIMILARITY OF APPROACH TO FARES EVALUATION THAN
ANTICIPATED. BOTH SIDES AGREED THAT FARES SHOULD BE COST
RELATED, THAT THE DILUTION OF NORMAL ECONOMY FARES BY
COSTS WHICH ARE NOT RELATED TO POINT-TO-POINT PASSENGERS,
SUCH AS STOPOVERS AND PRO-RATES, IS A SERIOUS PROBLEM
REQUIRING SOLUTIONS, AND THAT CAPACITY CONTROLLED FARES,
LIKE APEX, WHILE SUBJECT TO POSSIBLE ABUSE, APPEAR TO
OFFER THE PROSPECT OF MORE EFFICIENT, MORE PROFITABLE
SCHEDULED SERVICES. MAJOR DIFFERENCE SEEMED TO BE CAA'S
GREATER RELUCTANCE TO SAY, "NO," TO AIRLINES. PETER REED
UKDEL CHIEF, SAID THIS WAS RESULT OF COMMITMENT TO
"REGULATION WITH A LIGHT TOUCH" (WHICH HE COMPARED TO
DEREGULATION IN THE US), BUT IN CORRIDOR DISCUSSIONS UK
OFFICIALS NOTED THAT BRITISH LAW ALLOWS AIRLINES TO
APPEAL ANY CAA DECISION TO DEPT. OF TRADE ON GROUND THE
DECISION WAS INSUFFICIENTLY WELL-FOUNDED, AND THAT THIS
MADE CAA RELUCTANT TO REJECT AIRLINE FIGURES, INCLUDING
PROJECTIONS, UNLESS THEY WERE OBVIOUSLY UNREASONABLE.

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2. OPTIMUM LEVELS FOR PARTICULAR FARES WERE DISCUSSED
ONLY IN MOST GENERAL TERMS.

3. BRITISH HAD HOPED TO DISCUSS FREIGHT RATES AS WELL
AND PRESENTED US DELEGATION MEMBERS WITH COPIES OF A
RECENT STUDY. USDEL SAID IT WAS NOT PREPARED TO DISCUSS

FREIGHT DURING THE CURRENT ROUND.

4. US TEAM MEMBERS PLANNING TO PREPARE MORE DETAILED
REPORT AFTER RETURN TO WASHINGTON.

5. NEXT MEETING TENTATIVELY SET FOR WEEK OF JAN. 30 IN
WASHINGTON.

6. CAB AND DOT REPRESENTATIVES HAD DEPARTED BEFORE
ABOVE PREPARED.

STREATER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COMMITTEE MEETINGS, TARIFFS, AIR FARES
Control Number: n/a
Copy: SINGLE
Sent Date: 14-Nov-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Expiration:
Film Number: D770421-0693
Format: TEL
From: LONDON
Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1977/newtext/t19771163/aaaacbmi.tel
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Litigation Codes:
Litigation History:
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Message ID: 1beaf31a-c288-dd11-92da-001cc4696bcc
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Review Date: 17-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 603372
Secure: OPEN
Status: NATIVE
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Review Markings:
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